

**THE VILLAGE OF DEXTER
CITY CHARTER COMMISSION
MINUTES OF THE WEDNESDAY, MARCH 12, 2014 MEETING**

A. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

The meeting was called to order at 6:34PM by Chairman Hansen at the Copeland Board Room located at 7714 Ann Arbor Street in Dexter, Michigan.

B. ROLL CALL: Phil Arbour, Jack Donaldson, John Hansen, Mary-Ellen Miller, Thom Phillips, Michael Raatz, and James Smith. Excused absences Matt Kowalski and Phil Mekas.

Also present: Courtney Nicholls, Assistant Village Manager and Carol Jones, Village Clerk.

C. APPROVAL OF THE AGENDA

Motion James Smith; support Jack Donaldson to approve the agenda and to discuss future scheduling of meetings.

Unanimous voice vote approval with Kowalski and Mekas absent.

D. APPROVAL OF THE MINUTES

1. Regular Meeting – March 5, 2014

Motion James Smith; support Phil Arbour to approve the minutes with the following corrections:

Page 2, under Timeline August ballot should be November ballot.

Page 4, Section 2 (a) in the last sentence it should read 12.5 not 12.

Page 5, Section 1 second line it should read the whole or any part not of.

Page 6, Section 9 the following needs to be added before (a)...In accordance with its general power to determine the necessity for any public improvement and to defray the cost, in whole or in part, by special assessments, the city shall have the power:

Page 8, Section 4 period was omitted after therefore.

Unanimous voice vote approval with Kowalski and Mekas absent.

E. PREARRANGED PARTICIPATION

None

F. PUBLIC HEARINGS

Scheduled for March 22, 2014 at 2:00 p.m. at the Dexter District Library
The Cedars on March 13, 2014 at 4 p.m.

G. CHARTER CONSTRUCTION – SECOND READINGS

Staff Update Memo

1. Discussion of: Taxation

Motion James Smith; support Michael Raatz to approve the second reading of the Taxation Section.

Page 13 – Delete two percent (2%) or from Section 2 (a)

Change 12 to 12.5 as the amount to be dedicated to general operating.

Page 14 – Change ten (10) to fourteen (14) in Section 6 (b)

In Section 7 (c) add the following ...on the first Tuesday following the first Monday in March to replace the first Monday in March

Page 15 – Section 10 change the first Monday to the first Tuesday following the first Monday in March

Refer to Courtney for more detail on 211.30 regarding the Board of Review Meeting dates and times for Section 10.

Pages 16-18 – OK

Unanimous voice vote approval as amended with Kowalski and Mekas absent.

2. Discussion of: Special Assessments

Motion Phil Arbour; support Michael Raatz to approve the second reading of the Special Assessments Section.

Page 25 – Change of to or in Section 1

Motion James Smith; support Mary-Ellen Miller to eliminate Sections 3-10.

The following sentence will be added to Section 2...The ordinance shall include but not limited to reconsideration of petitions, condemnation costs, liens and collection of special assessments, special assessment account, certain postponements of payments, all real property liable for special assessment, specific assessment powers, and correction of invalid special assessments.

Unanimous voice vote approval to eliminate Sections 3-10 and add proposed language with Kowalski and Mekas absent.

Unanimous voice vote approval of amended Special Assessments with Kowalski and Mekas absent.

3. Discussion of: Borrowing

Motion James Smith; support Jack Donaldson to approve the second reading of the Borrowing Section.

Page 29 – Section 2 (a) add the word time to read shall not at any TIME exceed.
Section 2 (c) the word specially should be specifically
Section 3 the word expect should be except
Page 30 – Section 4 add a period at the end of the paragraph
Unanimous voice vote approval as corrected with Kowalski and Mekas absent.

H. CHARTER CONSTRUCTION – FIRST READING

1. Discussion of: Purchases, Sales, Contracts and Leases

Motion Phil Arbour; support Jack Donaldson to approve the first reading of Section 1 – Establishment of Procedures by Ordinance.

The City Council shall provide for, by ordinance based upon a national standard, a purchasing procedure to be followed in purchasing city supplies, materials, equipment, contractual service, or other forms of personal property. Before making any such purchase or contract to purchase, competitive bids shall be obtained except:

- (a) In the securing of professional services for the city;
- (b) When the purchasing agent for the city is exempted by the purchasing ordinance because of value or when the city council shall determine that no advantage to the city would result from competitive bidding; or
- (c) Upon the occurrence of an emergency.

The City Council shall provide in the ordinance required by this section the definition of “lowest responsible bidder,” the dollar limit within which the purchasing agent of the city may make purchase without the necessity of obtaining competitive bids, and the dollar limit within which purchases may be made without the necessity of council approval.

Unanimous voice vote approval with Kowalski and Mekas absent.

Motion James Smith; support Jack Donaldson to approve the first reading of Section 2 – Purchase, Sale and Lease of Property.

The council shall establish by ordinance the procedures for the purchase, sale or lease of real property for the city. The ordinance shall provide a dollar limit within which purchases, sales or leases of real property may be made without necessity of securing competitive bids, and the dollar limit within which purchases or leases may be made without the necessity of prior council approval.

Unanimous voice vote approval with Kowalski and Mekas absent.

Motion Phil Arbour; support Mary-Ellen Miller to approve the first reading of Section 3 – Limitations on Contractual Power.

- (a) No contract shall be made with any person, firm or corporation in default to the city.

(b) The council's power to sell or dispose of any real property shall be conditioned on the conducting of a public hearing thereon and receiving five (5) affirmative council votes and the requisite electoral approval if required by state law. Unanimous voice vote approval with Kowalski and Mekas absent.

Motion James Smith; support Thom Phillips to approve the first reading of Section 4 – Installment Contracts.

The city may enter into installment contracts for the purchase of property or capital equipment. Each such contract shall not extend over a period greater than that permitted by state law nor shall the total amount of principal payments under all such contracts exceed a sum permitted by state law. Each such payment shall be included in the budget for the year in which each respective installment is payable. Unanimous voice vote approval with Kowalski and Mekas absent.

Motion Phil Arbour; support James Smith to approve the first reading of Section 5 – Restriction on Powers to Sell or Lease Property.

The city may not sell any park or cemetery or any part thereof unless the sale is permitted by an affirmative majority of five (5) persons on council and a majority of city electors voting on the proposed sale.

The transfer or assignment of any agreement or contract for the renting or leasing of public property may be made only upon approval of the council, but approval of such transfer shall not be subject to referendum. Unanimous voice vote approval with Kowalski and Mekas absent.

2. Discussion of: Utilities, Franchises and Permits

Motion James Smith; support Thom Phillips to approve the first reading of Sections 1 - 14 - Utilities, Franchises and Permits.

Section 1 – General Powers

The city shall possess and hereby reserves to itself all the powers granted to cities by state law to acquire, construct, own, operate, improve, enlarge, extend, repair, maintain, encumber, convey, dispose of or sell, either within or without its corporate limits, public utilities, including but not by the way of limitation public utilities for treating and supplying water and for supplying light, heat, power, gas, sewage treatment, garbage disposal; and also to sell and deliver the products or services thereof, both within and outside its corporate limits, subject to the limitations herein contained. The power to supply said utilities services, as herein possessed and reserved, shall include the power to extract, process, manufacture, transport or purchase the same from others.

Section 2 – Administration of Municipally Owned and Operated Utilities

(a) All municipally owned and operated utilities shall be administered as a regular department of the city government under the management and supervision of the City Manager.

(b) The council may enact such ordinances and adopt such resolutions as may be necessary for the care, protections, preservation, control and operation of any public utilities which the city may, in any manner acquire, own, or operate and all fixtures, appurtenances, apparatus, building, and machinery connected therewith or belonging thereto, and to carry in effect the powers conferred upon the city by the provision of this charter and by state law.

Section 3 – Rates

(a) The council shall fix just and reasonable rates and such other charges as may be deemed advisable for supplying municipal utility services and as permitted by state law. Discrimination in rates by the council, within any classification of users, shall not be permitted, nor shall free service be permitted other than to the city, but higher rates may be charged for utility services delivered or furnished beyond the corporate limits of the city.

(b) The rates and charges for any municipal utility shall be fixed on a basis at least adequate to compensate the city for the cost of such service and to make reasonable provision for the extension thereof according to the needs of the city. Transactions pertaining to the ownership and operation of each municipal utility shall be recorded in a separate group of accounts, which shall be classified in accordance with generally accepted accounting practices. Charges for all service furnished to, or rendered by, other city departments or administrative units shall be recorded, whether collected or not. An annual report shall be prepared to show the financial position of each utility and the results of its operation. A copy of such reports shall be available for inspection at the office of the City Clerk.

Section 4 – Collection of Municipal Utility Rates and Charges

(a) The council shall provide by ordinance for the collection of rates and charges for public utility services furnished by the city. When any person fails or refuses to pay to the city any sums due on utility bills, the service upon which such delinquency exists may be discontinued and suit may be brought for the collection thereof.

(b) Except as otherwise provided by state law, the city shall have a lien upon the premises to which utility services are supplied and, for such purposes, shall have all the powers granted to cities by state law. The lien shall become effective immediately on the distribution or supplying of utility services to such premises. In each case where a lien to secure the payment of utility charges is not available to the city by the operation of state law or otherwise, the council shall require that an adequate deposit be made by the person to whom city utility services are furnished, for the purpose of guaranteeing the collection of charges for such utility services.

(c) Insofar as permitted by state law, all unpaid charges for utility services to any such premises, which, on the thirty-first (31st) day of March of each year, have remained unpaid for a period of six (6) months or more, shall be reported to the council by the City Manager at the first meeting thereof in the month of April. The council thereupon shall order the publication in a newspaper of general circulation in the city of notice that all such unpaid utility charges not paid by the thirtieth (30th) day of April will be spread upon the city's tax roll against the premises to which such utility services were supplied or furnished, and such charges shall then be spread upon the city's tax roll and shall be collected in the same manner as the city taxes.

Section 5 – Accounts and Finances or Public Utilities

Separate accounts termed Enterprise Funds shall be kept for each public utility owned and operated by the city. Such accounts shall be classified and made in accordance with general accounting practice. Charges for all services furnished to, or rendered by, other city departments or agencies shall be recorded. An annual report shall be prepared to show more accurately the financial position of the utility and the results of its operations which report shall be on file in the office of the City Clerk for inspection. Such system of accounts shall conform to the Uniform System of Accounts as required by state law.

Section 6 – Disposal of municipal Utility Plants and Property

The city shall not sell, exchange, lease, or in any way dispose of any property, easement, equipment, privilege, or asset needed to continue the operation of any municipal public utility, unless the proposition to do so is approved by at least three-fifths (3/5) of the electors of the city voting on the question at a regular or special city election. All contracts, grants, leases, or other forms of transfer in violation of this section shall be void and of no effect as against the city. The restrictions of this section shall not apply to the sale or exchange of articles of machinery or equipment of any municipally owned public utility, which are no longer useful or which are replaced by new machinery or equipment, or to the leasing of property not necessary for the operation of the utility, or to the exchange of property or easements for other needed property or interests in property.

Section 7 – Public Utility Franchises

Insofar as permitted by state law the city may grant a franchise to any person for the use of the streets, alleys, bridges, and other public places of the city for the furnishing of any public utility, electronic, telephonic, video or communications services to the city and its inhabitants as may be permitted by state law. Franchises and renewals, amendments, and extensions thereof shall be granted only by ordinance. Public utility franchises shall include provisions for fixing rates and charges and may provide for readjustments thereof at periodic intervals. The city may, with respect to any public utility franchise granted after the effective date of the charter, whether or not so provided in the granting ordinance:

(a) Terminate the same for the violation of any of its provisions, for the misuse or nonuse thereof, for failure to comply with any provision thereof, or any regulation imposed under authority of this section;

- (b) Require proper and adequate extension of plant and the maintenance thereof at the highest practicable standard of efficiency;
- (c) Establish reasonable standards of service and quality of products, and prevent unjust discrimination in service or rates;
- (d) Impose other regulations determined by the council to be conducive to the health, safety, welfare, and convenience of the public;
- (e) Require the public utility to permit joint use of its property and appurtenances located in the streets, alleys, bridges, and public places, by the city and other utilities, insofar as such joint use may be reasonably practicable and upon payment of reasonable rental therefore, and, in the absence of agreement, upon application by the public utility, provide for arbitration of the terms and conditions of such joint use and the compensation to be paid therefore;
- (f) Require the public utility to pay any part of the cost of improvement or maintenance of streets, alleys, bridges, and public places, that arises from its use thereof, and to protect and save the city harmless from all damages arising from such use; and
- (g) Require the public utility to file with the City Manager such drawings and maps of the locations and nature of its facilities, as the council may request.

Section 8 – Public Utility Franchises – Granting

- (a) Public utility franchises and all renewals, and extensions thereof and amendments thereto shall be granted only by ordinance or as otherwise provided by state law. No franchise shall be granted for a longer period than thirty (30) years.
- (b) Unless otherwise preempted by state or federal law, no franchise ordinance, which is not subject to revocation at the will of the council, shall be enacted nor become operative until the same shall have first been referred to the people at a regular or special election and received the affirmative vote of three-fifths (3/5) of the electors voting thereon. No such franchise ordinance shall be approved by the council for referral to the electorate before thirty (30) days after application therefore has been filed with the council nor until a public hearing has been held thereon, nor until the grantee named therein has filed with the City Clerk their unconditional acceptance of all terms of such franchise. No special election for such purpose shall be ordered unless the expense of holding such election, as determined by the council, shall have been first paid to the City Treasurer by the grantee.
- (c) A franchise ordinance, or renewal or extension thereof, or amendment thereto, which is subject to revocation at the will of the council may be enacted by the council without referral to the voters, but shall not be enacted and shall have so been on file in the office of the City Clerk for public inspection for at least four (4) weeks after publication of a notice that such ordinance is on file.

Section 9 – Public Utility Franchises – Conditions

Unless otherwise preempted by state or federal law, all public utility franchises granted after the adoption of this charter, whether it be so provided in the granting ordinance or not shall be subject to the following rights of the city, but this enumeration shall not be exclusive or impair the right of the council to insert in such franchise any provision within the power of the city to impose or require:

- (a) To repeal the same for misuse, non-use, or failure to comply with the provisions thereof;
- (b) To require adequate extensions of plant and service and maintenance thereof at the highest practicable standard of efficiency;
- (c) To establish reasonable standards of service and quality of products and prevent unjust discrimination in service or rates;
- (d) To require continuous and uninterrupted service to the public in accordance with the terms of franchise throughout the entire length thereof;
- (e) To use, control, and regulate the use of its streets, alleys, bridges, and other public places and the space above and beneath them; and
- (f) To impose such other regulations as may be determined by the council to be conducive to the safety, welfare and accommodation of the public.

Section 10 – Availability of Proposed Ordinances

Every ordinance granting a franchise, license, or right to occupy or use streets, alleys, bridges, or public places shall remain on file with the City Clerk for public inspection in its final form for at least four (4) weeks before the final adoption thereof, or the approval thereof for referral to the electorate.

Section 11 – Plans of Facilities in Streets and Public Places

- (a) The council shall, by ordinance, require as a condition to the placing or installment thereof, that each public utility conducting a business in the city, file with the City Manager a duplicate copy of layout plans, pipes, conduits, and other facilities which are to be placed on, under, or above the surface of the city's streets, alleys, bridges, and public places.
- (b) To the extent permitted by state law, every public utility shall pay such part of the cost of improvement or maintenance of streets, alleys, bridges, and other public places as shall arise from its use thereof and shall protect and save the city harmless from all damages arising from said use. Every such public utility shall be required by the city to permit joint use of its property and appurtenances located in the streets, alleys, bridges, and other public places of the city, by the city and other utilities insofar as such joint use may be reasonably practicable, upon payment of reasonable rental therefore. In the absence of agreement and upon application by any public utility, the council shall provide for arbitration of the terms and conditions of such joint use and the compensation to be paid therefore.

Section 12 – Temporary Permits

Temporary permits for public utilities, revocable at any time at the will of the council, may be granted by the council by resolution on such terms and conditions as it shall determine, provided that such permits shall in no event be construed to be franchises or amendments to franchises. A temporary permit shall be subject to the rights of the city to make independent audit and examination accounts at any time and to require reports annually or at more frequent intervals as prescribed by resolution of the council. When the council deems it in the public interest, such permits may be exclusive.

Section 13 – Existing Franchises and Permits

All franchises and permits to which the Village of Dexter is a party when this charter becomes effective shall remain in full force and effect according to each agreement.

Section 14 – Purchase – Condemnation

The city shall have the right to acquire by condemnation, or otherwise, the property of any public utility in accordance with general law.
Unanimous voice vote approval with review by the attorney with Kowalski and Mekas absent.

I. OTHER ITEMS AS REQUESTED BY COMMISSIONERS

J. AGENDA PREPARATION FOR THE NEXT MEETING

Next meeting:

- Scheduling – setting a date to be in front of the Attorney General in order to have time for petitions for council seats. Moving up the transmittal date to April 12. Motion Phil Arbour; support Mary-Ellen Miller to schedule the following meetings in April – 2, 9, 16, 23, and 30.
- Unanimous voice vote approval with Kowalski and Mekas absent.
- Begin first reading of Miscellaneous and Transitions.
- Review Parking Lot.
- Public Hearing – How to structure. 1) Look at the procedure as to how the Charter Commission works , 2) Look at the topics that the Charter covers, 3) 5 minutes for a person and 10 minutes for a group to speak, and 4) Listen to those attending.

K. NON-ARRANGED PARTICIPATION

None

L. ADJOURNMENT

Motion James Smith; support Jack Donaldson to adjourn at 8:33 PM.
Unanimous voice vote approval with Kowalski and Mekas absent.

Respectfully submitted,
Carol J. Jones
Clerk, Village of Dexter

Approved for Filing: _____

VILLAGE OF DEXTER

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MEMO

To: City Charter Commission
From: Courtney Nicholls, Assistant Village Manager
Date: March 17, 2014
Re: Meeting Topics

The Commission is scheduled to conduct the second reading of Purchases, Sales, Contracts and Leases and Utilities, Franchises and Permits. Once the second reading is complete the article is considered a finished draft until the final full review of the document is done before it is submitted to the Attorney General.

Included for first readings are chapters from the Caro Charter on Miscellaneous and Transition. These are the final chapters that will be presented for consideration.

City Charter Attorney Tom Ryan will be attending the meeting. The Commission will also be reviewing the remaining items in the "parking lot", which are items that have come up during the course of the discussion that were put on hold until the end of the process. Commissioner Arbor will not be in attendance but has provided documents related to two of the items: the term of the Mayor and conflict of interest.

The public hearing on the draft of the City Charter completed so far will be held on Saturday, March 22, 2014 at 2 p.m. at the Dexter District Library. As discussed at the last meeting the general format will be a brief presentation on the Commission's process, a review of the table of contents of the chapters that have been completed followed by taking comments/questions from the audience members.

Proposed Schedule for Future Meetings (as of March 12, 2014)

March 19	Miscellaneous/Transitions
March 22	Public Hearing
March 26	Full Charter Review
April 2	Continue Review/Hold Final Public Hearing
April 9	Approve Sending Document to Attorney General
May 8	Rotary Meeting
July 22	Petitions due for election of 3 Village Trustees & new City Officials (15 weeks prior to election)
August 12	Ballot Language for Charter due to Washtenaw County Clerk
November 4	Election

Items in Parking Lot (as of 1-29-14)

Unfunded pensions, power subtractions, state of city message, statement of ethics, nepotism, adding a catch all category or a glossary, watch for stray items that should be on the mandatory ordinance list, compensation commission, emergency expenditures

Commissioner Arbour

Request to consider changing the elected term of office of the mayor.

I propose that we move to a two (2) year term for the mayor and retain the four (4) year term for council members.

I have looked at the charters from the cities we have used as our base in our discussions. I have listed below their names of public boards that we have discussed and the way they select their mayor/president and council / trustee members with their term of office.

City	term of mayor	term of council	selection method
Chelsea	4	4	popular vote
Jonesville	2	4	popular vote
Caro	2	4	popular vote
Howell	2	4	popular vote
Portage	2	4	popular vote
School board	1	6 trustee	elected by the trustees

Currently Dexter has 4 year terms for both the president and the council members. This option was enabled by recent state Legislature. During my time in office all members of council served two year terms for each position.

This change will permit

- 1) Each council member to have a shot at the mayors' position every four years. The current system only permits one half of the council members (those elected in off mayoral election years) to challenge for the mayor position without jeopardizing their current position. This must have some value because so many of the charters we have looked at have followed this term of office pattern. See above.
- 2) We want to keep the council and mayor working together. If a slate of candidates wins voter approval in the off mayoral election cycle and have differing views than the legacy majority which includes the mayor there will be conflict, and changing elegancies possibly leaving the mayor with a minority position.

With the mayor being elected every two years the likelihood of a slate of candidates following the will of electorate and having to deal with a leader who was not in step with their wishes becomes less likely. When the offices were filled on a two year cycle, there was a period of unrest for a period of one (1) year until the votes corrected the situation. The four (4) year cycle extends this period to 2 years. This extended period of possible dysfunction that can lead to much frustration in both citizenry and those taking direction from this board. We have seen locally where a situation like this has evolved and made the wheels of government move very slowly with indecision followed the public having an unhealthy image of the governmental unit.

The other alternative to the 4 year mayoral election cycle is to follow a parliamentary method where, like the schools, they elect a chairperson to lead the board for a period of one year.

Commissioner Arbour

Language taken from section VII of the model city charter.

I agree that we need an ethics board as a point of enforcement, but if the rules are known there will few in any infractions. I do not think we need an elaborate apparatus at this point and would strongly consider it the responsibility of the council to determine if this board is a standing committee of the council or a subcommittee. They should build the ordinance to follow the guidelines outlined in senate bill 576 (see second attachment) I think the last sentence of section B below is also important to let all concerned (elected officials, appointed and hired staff, and the voting public) know that we take this seriously.

Section 7.01. Conflicts of Interest; Board of Ethics.

(a) Conflicts of Interest.

The use of public office for private gain or the appearance of private gain is prohibited. The city council shall implement this prohibition by ordinance, the terms of which shall include, but not be limited to:

--- Acting in an official capacity on matters in which the official has a private financial interest clearly separate from that of the general public;

--- The acceptance of gifts and other things of value;

--- Acting in a private capacity on matters dealt with as a public official;

--- The use of confidential information; and

--- Appearances by city officials before council or other city agencies on behalf of private interests.

This ordinance shall include a statement of purpose and shall provide for reasonable public disclosure of finances by officials with major decision-making authority over monetary expenditures and contractual and regulatory matters and, insofar as permissible under state law, shall provide for fines and imprisonment for violations.

(b) Board of Ethics. The city council shall, by ordinance, establish an independent board of ethics to administer and enforce the conflict of interest and financial disclosure ordinances. No member of the board may hold elective or appointed office under the city or any other government or hold any political party office. Insofar as possible under state law, the city council shall authorize the board to issue binding advisory opinions, conduct investigations on its own initiative and on referral or complaint from officials or citizens, subpoena witnesses and documents, refer cases for prosecution, impose administrative fines, and to hire independent counsel. The city council shall appropriate sufficient funds to the board of ethics to enable it to perform the duties assigned to it and to provide annual training and education of city officials and employees, including candidates for public office, regarding the ethics code.

Removal of independent board and add to council's policing duties.

b) Board of Ethics. The city council shall institute a board of ethics to administer and enforce the conflict of interest and financial disclosure ordinances. Insofar as possible under state law, the city council shall authorize the board to issue binding advisory opinions, conduct investigations on its own initiative and on referral or complaint from officials or citizens, subpoena witnesses and documents, refer cases for prosecution, impose administrative fines, and to hire independent counsel. The city council shall appropriate sufficient funds to the board of ethics to enable it to perform the duties assigned to it and to provide annual training and education of city officials and employees, including candidates for public office, regarding the ethics code.

Commissioner Arlow

In October of 2013 the Michigan Senate passed the following bill and handed it off to the House for consideration.

SENATE BILL No. 576

October 2, 2013, Introduced by Senators SCHUITMAKER and JONES and referred to the Committee on Reform Restructuring and Reinventing.

A bill to establish supplemental conflict of interest standards for members of regulatory bodies in the department of licensing and regulatory affairs; to require disclosure of certain interests; to provide grounds for removal of members of regulatory bodies; to provide a process for raising and determining possible conflicts of interest; and to provide for voiding certain actions taken in violation of this act.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Sec. 1.

(1) This act shall be known and may be cited as the "regulatory boards and commissions ethics act".

(2) As used in this act:

(a) "Board" means a board, commission, or committee in the Department that has authority in regulatory actions concerning private individuals or entities.

(b) "Department" means the department of licensing and regulatory affairs.

(c) "Immediate family member" means a grandparent, parent, parent-in-law, stepparent, sibling, spouse, child, or stepchild.

Sec. 2. In addition to any other standard of conduct or disclosure requirement that may apply to a member or designated alternate member of a board, each member or designated alternate shall comply with the standards set forth in this act.

Sec. 3.

(1) A board member shall do all of the following:

(a) Disclose to the board and the director of the department any pecuniary, contractual, business, employment, or personal interest that the board member may have in a contract, grant, loan, or regulatory matter before the board. Disclosure is also required if an immediate family member of a board member is a director, officer, direct or indirect shareholder, or employee of an entity under consideration for a contract, grant, or loan or is the subject of a regulatory action before the board. However, this subdivision does not require disclosure of a 2% or smaller interest in a publicly traded company.

(b) Refrain from participating in any discussion, directly or indirectly, with other board members regarding a matter before the board if the board member has a direct or indirect interest described in subdivision (a).

(c) Abstain from voting on any motion or resolution relating to a matter in which the board member has a direct or indirect interest described in subdivision (a).

(d) Use state resources, property, and funds under the board member's official care and control judiciously and solely in accordance with prescribed constitutional, statutory, and regulatory procedures and not for personal gain or benefit.

(2) A board member shall refrain from all of the following:

(a) Divulging to an unauthorized person any confidential information acquired in the course of the member's service on the board before the time prescribed or authorized for release to the public.

(b) Representing his or her personal opinion as that of the board or the department.

(c) Soliciting or accepting a gift or loan of money, goods, services, or other thing of value for the benefit of a person or organization other than this state that could reasonably be expected to influence the manner in which the board member performs official duties.

(d) Engaging in a business transaction in which the board member may profit from his or her official position or authority as a board member or benefit financially from confidential information that the board member obtained or may obtain incident to the board membership.

(e) Rendering services for a private or public interest if that service is incompatible or in conflict with the discharge of the board member's official duties.

(f) Participating in negotiating or executing contracts, making loans, granting subsidies, fixing rates, issuing permits or certificates, or other regulation or supervision relating to a business entity in which the board member or an immediate family member of the board member has a pecuniary or personal interest, other than a 2% or smaller interest in a publicly traded company.

Sec. 4. A contract, grant, or loan that a board enters into with or awards to a board member or an immediate family member of a board member with an interest in the matter is adopted in violation of conflict of interest standards and is voidable at the option of the department unless the affected board member complies with all of the following:

(a) Except as expressly permitted by applicable law, the affected board member has abstained from participating in the discussion or vote on the matter.

(b) The affected board member promptly disclosed the pecuniary, contractual, business, employment, or personal interest in the contract, grant, or loan in the manner required by this act and other applicable law.

Sec. 5.

(1) A board member who fails to disclose an interest described in section 3(1)(a) is subject to immediate removal from the board by the governor.

(2) A person who has reason to believe that a board member has failed to disclose an interest described in section 3(1)(a) or has an interest that is not required to be disclosed but that would have a tendency to affect the ability of the member to render an impartial decision on a matter may request, not later than 1 year after the board takes any action on the matter, that the board consider the issue of a conflict of interest as to that matter. The board members who are not the subject of the potential conflict of interest shall investigate the matter and decide the issue of whether or not the board member has an undisclosed interest described in section 3(1)(a) or has another conflict of interest sufficient to raise a reasonable doubt as to whether the board member could render an impartial decision.

(3) If a board determines that a member has an undisclosed conflict of interest in violation of section 3(1)(a), the member is subject to immediate removal by the governor. If a board determines under subsection (2) that the board member has another interest that is sufficient to raise a reasonable doubt as to whether the board member could render an impartial decision, any action the board took regarding the matter in which the board member with a conflict of interest participated is void unless affirmed by a majority of the board. The board shall reconsider the action without the participation of the board member who was found to have a conflict of interest.

Sec. 6. This act is intended to supplement existing ethics laws, and if there is a conflict, the following laws prevail:

(a) Section 10 of article IV of the state constitution 1963.

(b) 1978 PA 566, MCL 15.181 to 15.185.

(c) 1968 PA 318, MCL 15.301 to 15.310.

(d) 1968 PA 317, MCL 15.321 to 15.330.

e) 1973 PA 196, MCL 15.341 to 15.348.

Purchases, Sales, Contracts and Leases (Article 13 of the Caro Charter)

Section 1 – Establishment of Procedures by Ordinance.

The City Council shall provide for, by ordinance based upon a national standard, a purchasing procedure to be followed in purchasing city supplies, materials, equipment, contractual service, or other forms of personal property. Before making any such purchase or contract to purchase, competitive bids shall be obtained except:

- (a) In the securing of professional services for the city;
- (b) When the purchasing agent for the city is exempted by the purchasing ordinance because of value or when the city council shall determine that no advantage to the city would result from competitive bidding; or
- (c) Upon the occurrence of an emergency.

The City Council shall provide in the ordinance required by this section the definition of “lowest responsible bidder,” the dollar limit within which the purchasing agent of the city may make purchase without the necessity of obtaining competitive bids, and the dollar limit within which purchases may be made without the necessity of council approval.

Section 2 – Purchase, Sale and Lease of Property.

The council shall establish by ordinance the procedures for the purchase, sale or lease of real property for the city. The ordinance shall provide a dollar limit within which purchases, sales or leases of real property may be made without necessity of securing competitive bids, and the dollar limit within which purchases or leases may be made without the necessity of prior council approval.

Section 3 – Limitations on Contractual Power.

- (a) No contract shall be made with any person, firm or corporation in default to the city.
- (b) The council’s power to sell or dispose of any real property shall be conditioned on the conducting of a public hearing thereon and receiving five (5) affirmative council votes and the requisite electoral approval if required by state law.

Section 4 – Installment Contracts.

The city may enter into installment contracts for the purchase of property or capital equipment. Each such contract shall not extend over a period greater than that permitted by state law nor shall the total amount of principal payments under all such contracts exceed a sum permitted by state law. Each such payment shall be included in the budget for the year in which each respective installment is payable.

Section 5 – Restriction on Powers to Sell or Lease Property.

The city may not sell any park or cemetery or any part thereof unless the sale is permitted by an affirmative majority of five (5) persons on council and a majority of city electors voting on the proposed sale.

The transfer or assignment of any agreement or contract for the renting or leasing of public property may be made only upon approval of the council, but approval of such transfer shall not be subject to referendum.

Utilities, Franchises and Permits (Chapter 14 of the Caro Charter)

Section 1 – General Powers

The city shall possess and hereby reserves to itself all the powers granted to cities by state law to acquire, construct, own, operate, improve, enlarge, extend, repair, maintain, encumber, convey, dispose of or sell, either within or without its corporate limits, public utilities, including but not by the way of limitation public utilities for treating and supplying water and for supplying light, heat, power, gas, sewage treatment, garbage disposal; and also to sell and deliver the products or services thereof, both within and outside its corporate limits, subject to the limitations herein contained. The power to supply said utilities services, as herein possessed and reserved, shall include the power to extract, process, manufacture, transport or purchase the same from others.

Section 2 – Administration of Municipally Owned and Operated Utilities

- (a) All municipally owned and operated utilities shall be administered as a regular department of the city government under the management and supervision of the City Manager.
- (b) The council may enact such ordinances and adopt such resolutions as may be necessary for the care, protection, preservation, control and operation of any public utilities which the city may, in any manner acquire, own, or operate and all fixtures, appurtenances, apparatus, building, and machinery connected therewith or belonging thereto, and to carry in effect the powers conferred upon the city by the provision of this charter and by state law.

Section 3 – Rates

- (a) The council shall fix just and reasonable rates and such other charges as may be deemed advisable for supplying municipal utility services and as permitted by state law. Discrimination in rates by the council, within any classification of users, shall not be permitted, nor shall free service be permitted other than to the city, but higher rates may be charged for utility services delivered or furnished beyond the corporate limits of the city.
- (b) The rates and charges for any municipal utility shall be fixed on a basis at least adequate to compensate the city for the cost of such service and to make reasonable provision for the extension thereof according to the needs of the city. Transactions pertaining to the ownership and operation of each municipal utility shall be recorded in a separate group of accounts, which shall be classified in accordance with generally accepted accounting practices. Charges for all service furnished to, or rendered by, other city departments or administrative units shall be recorded, whether collected or not. An annual report shall be prepared to show the financial position of each utility and the results of its operation. A copy of such reports shall be available for inspection at the office of the City Clerk.

Section 4 – Collection of Municipal Utility Rates and Charges

- (a) The council shall provide by ordinance for the collection of rates and charges for public utility services furnished by the city. When any person fails or refuses to pay to the city any sums due on utility bills, the service upon which such delinquency exists may be discontinued and suit may be brought for the collection thereof.
- (b) Except as otherwise provided by state law, the city shall have a lien upon the premises to which utility services are supplied and, for such purposes, shall have all the powers granted to cities by state law. The lien shall become effective immediately on the distribution or supplying of utility services to such premises. In each case where a lien to secure the payment of utility charges is not available to the city by the operation of state law or otherwise, the council shall require that an adequate deposit be made by the person to whom city utility services are furnished, for the purpose of guaranteeing the collection of charges for such utility services.
- (c) Insofar as permitted by state law, all unpaid charges for utility services to any such premises, which, on the thirty-first (31st) day of March of each year, have remained unpaid for a period of six (6) months or more, shall be reported to the council by the City Manager at the first meeting thereof in the month of April. The council thereupon shall order the publication in a newspaper of general circulation in the city of notice that all such unpaid utility charges not paid by the thirtieth (30th) day of April will be spread upon the city's tax roll against the premises to which such utility services were supplied or furnished, and such charges shall then be spread upon the city's tax roll and shall be collected in the same manner as the city taxes.

Section 5 – Accounts and Finances or Public Utilities

Separate accounts termed Enterprise Funds shall be kept for each public utility owned and operated by the city. Such accounts shall be classified and made in accordance with general accounting practice. Charges for all services furnished to, or rendered by, other city departments or agencies shall be recorded. An annual report shall be prepared to show more accurately the financial position of the utility and the results of its operations which report shall be on file in the office of the City Clerk for inspection. Such system of accounts shall conform to the Uniform System of Accounts as required by state law.

Section 6 – Disposal of municipal Utility Plants and Property

The city shall not sell, exchange, lease, or in any way dispose of any property, easement, equipment, privilege, or asset needed to continue the operation of any municipal public utility, unless the proposition to do so is approved by at least three-fifths (3/5) of the electors of the city voting on the question at a regular or special city election. All contracts, grants, leases, or other forms of transfer in violation of this section shall be void and of no effect as against the city. The restrictions of this section shall not apply to the sale or exchange of articles of machinery or equipment of any municipally owned public utility, which are no longer useful or which are replaced by new machinery or equipment, or to the leasing of property not necessary for the

operation of the utility, or to the exchange of property or easements for other needed property or interests in property.

Section 7 – Public Utility Franchises

Insofar as permitted by state law the city may grant a franchise to any person for the use of the streets, alleys, bridges, and other public places of the city for the furnishing of any public utility, electronic, telephonic, video or communications services to the city and its inhabitants as may be permitted by state law. Franchises and renewals, amendments, and extensions thereof shall be granted only by ordinance. Public utility franchises shall include provisions for fixing rates and charges and may provide for readjustments thereof at periodic intervals. The city may, with respect to any public utility franchise granted after the effective date of the charter, whether or not so provided in the granting ordinance:

- (a) Terminate the same for the violation of any of its provisions, for the misuse or nonuse thereof, for failure to comply with any provision thereof, or any regulation imposed under authority of this section;
- (b) Require proper and adequate extension of plant and the maintenance thereof at the highest practicable standard of efficiency;
- (c) Establish reasonable standards of service and quality of products, and prevent unjust discrimination in service or rates;
- (d) Impose other regulations determined by the council to be conducive to the health, safety, welfare, and convenience of the public;
- (e) Require the public utility to permit joint use of its property and appurtenances located in the streets, alleys, bridges, and public places, by the city and other utilities, insofar as such joint use may be reasonably practicable and upon payment of reasonable rental therefore, and, in the absence of agreement, upon application by the public utility, provide for arbitration of the terms and conditions of such joint use and the compensation to be paid therefore;
- (f) Require the public utility to pay any part of the cost of improvement or maintenance of streets, alleys, bridges, and public places, that arises from its use thereof, and to protect and save the city harmless from all damages arising from such use; and
- (g) Require the public utility to file with the City Manager such drawings and maps of the locations and nature of its facilities, as the council may request.

Section 8 – Public Utility Franchises – Granting

- (a) Public utility franchises and all renewals, and extensions thereof and amendments thereto shall be granted only by ordinance or as otherwise provided by state law. No franchise shall be granted for a longer period than thirty (30) years.

- (b) Unless otherwise preempted by state or federal law, no franchise ordinance, which is not subject to revocation at the will of the council, shall be enacted nor become operative until the same shall have first been referred to the people at a regular or special election and received the affirmative vote of three-fifths (3/5) of the electors voting thereon. No such franchise ordinance shall be approved by the council for referral to the electorate before thirty (30) days after application therefore has been filed with the council nor until a public hearing has been held thereon, nor until the grantee named therein has filed with the City Clerk their unconditional acceptance of all terms of such franchise. No special election for such purpose shall be ordered unless the expense of holding such election, as determined by the council, shall have been first paid to the City Treasurer by the grantee.
- (c) A franchise ordinance, or renewal or extension thereof, or amendment thereto, which is subject to revocation at the will of the council may be enacted by the council without referral to the voters, but shall not be enacted and shall have so been on file in the office of the City Clerk for public inspection for at least four (4) weeks after publication of a notice that such ordinance is on file.

Section 9 – Public Utility Franchises – Conditions

Unless otherwise preempted by state or federal law, all public utility franchises granted after the adoption of this charter, whether it be so provided in the granting ordinance or not shall be subject to the following rights of the city, but this enumeration shall not be exclusive or impair the right of the council to insert in such franchise any provision within the power of the city to impose or require:

- (a) To repeal the same for misuse, non-use, or failure to comply with the provisions thereof;
- (b) To require adequate extensions of plant and service and maintenance thereof at the highest practicable standard of efficiency;
- (c) To establish reasonable standards of service and quality of products and prevent unjust discrimination in service or rates;
- (d) To require continuous and uninterrupted service to the public in accordance with the terms of franchise throughout the entire length thereof;
- (e) To use, control, and regulate the use of its streets, alleys, bridges, and other public places and the space above and beneath them; and
- (f) To impose such other regulations as may be determined by the council to be conducive to the safety, welfare and accommodation of the public.

Section 10 – Availability of Proposed Ordinances

Every ordinance granting a franchise, license, or right to occupy or use streets, alleys, bridges, or public places shall remain on file with the City Clerk for public inspection in its final form for at

least four (4) weeks before the final adoption thereof, or the approval thereof for referral to the electorate.

Section 11 – Plans of Facilities in Streets and Public Places

- (a) The council shall, by ordinance, require as a condition to the placing or installment thereof, that each public utility conducting a business in the city, file with the City Manager a duplicate copy of layout plans, pipes, conduits, and other facilities which are to be placed on, under, or above the surface of the city's streets, alleys, bridges, and public places.
- (b) To the extent permitted by state law, every public utility shall pay such part of the cost of improvement or maintenance of streets, alleys, bridges, and other public places as shall arise from its use thereof and shall protect and save the city harmless from all damages arising from said use. Every such public utility shall be required by the city to permit joint use of its property and appurtenances located in the streets, alleys, bridges, and other public places of the city, by the city and other utilities insofar as such joint use may be reasonably practicable, upon payment of reasonable rental therefore. In the absence of agreement and upon application by any public utility, the council shall provide for arbitration of the terms and conditions of such joint use and the compensation to be paid therefore.

Section 12 – Temporary Permits

Temporary permits for public utilities, revocable at any time at the will of the council, may be granted by the council by resolution on such terms and conditions as it shall determine, provided that such permits shall in no event be construed to be franchises or amendments to franchises. A temporary permit shall be subject to the rights of the city to make independent audit and examination accounts at any time and to require reports annually or at more frequent intervals as prescribed by resolution of the council. When the council deems it in the public interest, such permits may be exclusive.

Section 13 – Existing Franchises and Permits

All franchises and permits to which the Village of Dexter is a party when this charter becomes effective shall remain in full force and effect according to each agreement.

Section 14 – Purchase – Condemnation

The city shall have the right to acquire by condemnation, or otherwise, the property of any public utility in accordance with general law.

Caro Charter

CHAPTER XV

MISCELLANEOUS

Section 15.1 LIABILITY OF CITY; PROCEDURE FOR FILING CLAIM

The city shall have all the governmental immunities from claims for damages for injury to persons or property as may be permitted by state law. The procedures in regard to filing of claims and disposition of the same shall be as permitted by state law.

Section 15.2 RECORDS

All records of the city shall be made available to the general public in compliance with the Freedom of Information Act, MCL 15.231 to 15.246 and shall be kept in city offices except when required for official reasons or for purpose of safe keeping to be elsewhere.

Section 15.3 ESTOPPEL AGAINST CITY

No estoppel may be created against the city.

Section 15.4 PROCESSES AGAINST CITY

All processes against the city shall run against the city in the corporate name thereof, and may be served by delivering a true copy to the mayor or city clerk.

Section 15.5 TRUSTS FOR MUNICIPAL PURPOSES

All trusts established for any municipal purpose shall be used and contained in accordance with the terms of such trust subject to the cy pres doctrine. The council may in its discretion receive and hold any property in trust for any municipal purpose and shall apply the same to the execution of such trust and for no other purposes, except in cases where the cy pres doctrine shall apply.

Section 15.6 QUORUM GENERALLY

Except as provided otherwise in this charter, a quorum of any board or commission created by and pursuant to this charter shall be a majority of the members of such board or commission in office at the time, but not less than two (2) members.

Section 15.7 SATURDAYS, SUNDAYS OR CITY HOLIDAYS

Whenever the date fixed by this charter for the doing or completion of any act falls on a Saturday, Sunday or city holiday, such act shall be done or completed on the next succeeding day that is not a Saturday, Sunday or city holiday.

Section 15.8 CHAPTER, SECTION AND SUBSECTION HEADINGS OF CHARTER

The chapter, section and subsection headings used in this charter are for convenience only, and shall not be considered as part of the charter.

Section 15.9 AMENDMENT OF CHARTER

This charter may be amended at any time in the manner provided by statute. Should two (2) or more amendments adopted at the same election have conflicting provisions, the one (1) receiving the largest affirmative vote shall prevail as to those provisions.

Section 15.10 SEVERABILITY OF CHARTER PROVISIONS

Should any provision or section, or portion thereof, of this charter be held by a court of competent jurisdiction to be invalid, illegal, or unconstitutional, such holding shall not be construed as affecting the validity of this charter as a whole or of any remaining portion of such provision or section, it being hereby declared to be the intent of the charter commission, and of the electors who voted thereon, that such unconstitutionality or illegality shall not affect the validity of any other part of this charter.

Section 15.11 DEFINITIONS - GENERALLY

Except as otherwise specifically provided or indicated by the context or is further extended and defined:

- (a) All words used in this charter indicating the present tense shall not be limited to the time of the adoption of this charter, but shall extend to and include the time of the happening of any event or requirement for which provision is made herein.
- (b) The singular number shall include the plural, the plural number shall include the singular and masculine gender shall extend to and include the feminine gender and the neuter.
- (c) The word "person" may extend and be applied to an individual, partnership, corporation, association, other legal entities, or a combination of them.
- (d) The word "printed" and "printing" shall include reproductions by printing, engraving, stencil duplicating, lithographing or any similar reproduction method.
- (e) Except in reference to signatures, the words "written" and "in writing" shall include printing and typewriting and any other currently acceptable similar method.
- (f) The word "officer" shall include the mayor and other members of the council and administrative officers.
- (g) The word "employee" shall mean those persons not holding elective or appointive office, one who is generally subordinate to the officer and performs only those duties specifically assigned by a contract, department head, or other governmental body.
- (h) The word estoppel shall mean "as being estopped or prevented from denying or asserting something, on the ground that to do so contradicts what has already been admitted or denied, either explicitly in words or implicitly by actions."
- (i) The word "default" shall include being delinquent in payment of taxes or municipal utility charges for more than thirty (30) days unless the default is being tested in a court or tribunal.

- (j) The word "statute" shall denote the Public Acts of the State of Michigan and any amendments thereto in effect at the time the provision of the charter containing the word "statute" is to be applied.
- (k) All references to specific Public Acts of the State of Michigan shall be to such acts as are in effect at the time the reference to such act is to be applied.
- (l) The words "state law" shall denote the statutes of the State of Michigan and the applicable common law.
- (m) All reference to section numbers shall refer to section numbers of this charter.
- (n) The word "city" shall mean the City of Caro.
- (o) The word "council" shall mean the council of the City of Caro.
- (p) The words "public utility" shall include all common carriers in the public streets; water; sewage disposal; electric light and power; gas; telephone and telegraph lines and systems; cable television; garbage and refuse collection and disposal and reduction plants; and such other and different enterprises as the council may determine or designate.
- (q) For the purpose of this charter, the offense of "misconduct in office" includes doing a wrongful act, doing a lawful act in a wrongful manner, and failure to perform an act required by the duties of the office or by rule established by the city council.
- (r) "Public record" means any writing prepared, owned, used, in the possession of, or retained by a public body in the performance of an official function, from the time it is created. Public record does not include computer software. A Public record is subject to the Freedom of Information Act, MCL 15.231 to 15.246.
- (s) The word "family" shall include: spouse, child, grandchild, father, mother, grandmother, grandfather, sister, half-sister, brother, half-brother and spouse of any of them, and all such relationships arising from adoption.
- (t) The term "member of the council" shall mean all elected or appointed members of the council.
- (u) The word "situs" shall mean where the property is treated as being located for legal purposes.
- (v) The word "cy pres" shall mean "as near as possible" or "as near as may be."
- (w) "Department Head" shall include any Police Chief, any Fire Chief, any Public Safety Director, any DPW Superintendent, any WWTP Superintendent, any Zoning Administrator and the head of any other department established by the council.

Section 15.12 DEFINITION OF PUBLICATION AND MAILING OF NOTICES

Unless as otherwise required by law, the requirement contained in this Charter for the publishing or publication of notices, ordinances or proceedings of city council or other city boards, commissions or authorities, shall be met by publishing (a) at least once in a newspaper published in the English language for news of general character, with general circulation at regular intervals in the city for at least one (1) year immediately prior to the publication of the notice (b) by posting in at least three (3) conspicuous places within the city, or (c) by posting on the City's web site, cable site and/or the internet. Prima facie evidence of such publication shall be in the form of an affidavit of the printer or publisher of the newspaper, or his or her foreman or principal clerk attached to a copy of the notice.

In the case in which the charter requires the mailing or posting of notices around the city or on the internet, the affidavit of the officer or employee responsible for such mailing or posting, that such notice was mailed or posted shall be prima facie evidence of such mailing or posting.

Section 15.13 VESTED RIGHTS

After the effective date of this charter, the city shall be vested with all the property, moneys, contracts, rights, credits, effects and the records, files, books and papers belonging to the Village of Caro. No right or liability, either in favor or against the village, existing at the time of this charter becomes effective and no suit or prosecution of any character shall in any manner be affected by any change, resulting from the adoption of this charter, but the same shall stand or proceed as if no change had been made. All debts and liabilities of the village shall be the debts and liabilities of the city and all fines and penalties imposed at the time of such change shall be collected.

Caro Charter

CHAPTER XVI

TRANSITION

Section 16.1 PURPOSE

The purpose of this chapter is to inaugurate the government of the City of Caro under this charter and to provide for the transition from the Village of Caro. It shall constitute a part of this charter only to the extent and for the time required to accomplish this end.

Section 16.2 ELECTION TO ADOPT

This charter shall be submitted to a vote of the registered electors of the territory comprising the proposed City of Caro, as described in Section 1.2 BOUNDARIES of this charter, at an election to be scheduled by resolution of the Charter Commission, subsequent to the approval of this charter by the Governor, to be held between the hours of 7 a.m. and 8 p.m. local time. All provisions for the submission of the question of adopting this charter at such election shall be made in the manner provided by law. The Charter Commission shall conduct the election, provided that the Charter Commission may delegate such responsibilities, as it deems proper to the village clerk and other local officials.

Section 16.3 FORM OF BALLOT

The form of the ballot for the submission of this charter shall be as follows: Instructions: A mark in the square before the word "Yes" is in favor of the proposed charter, and a mark in the square before the word "No" is against the proposed charter. Shall the proposed Charter for the City of Caro, drafted by the Charter Commission elected on November 4, 2008 be adopted?

_____ Yes _____ No

Section 16.4 EFFECTIVE DATE OF CHARTER

If the voters approve adoption of this charter, then two (2) printed copies thereof, with the vote for and against duly certified by the Board of Canvassers, within thirty (30) days after the vote is taken, shall be filed by the Village Clerk with the Secretary of State and a like number with the Tuscola County Clerk. On the date the aforementioned filings have been accomplished, this charter shall be effective for all purposes.

Section 16.5 FIRST ELECTION

An election to elect the first city mayor and city council shall be held on the same date as the election at which the charter is submitted for adoption as provided in 16.2 of this charter.

- (a) Candidates for Mayor and for City Council who shall be duly registered electors of the territory comprising the proposed City of Caro and who shall have been residents of the territory comprising the proposed City of Caro for one (1) year immediately prior to the election shall file petitions signed by not less than fifteen (15) registered electors of the territory comprising the proposed City of Caro and filed with the Village Clerk by 4:00 p.m. Local Time, on the Tuesday which is the eight (8) weeks prior to the election date. The Village Clerk shall publish notice of the last day and time of filing of petitions, which notice shall be published in the Tuscola County Advertiser. Such petitions shall be in the form designated by

statute for the use in nominations for nonpartisan office. The manner of approval of nominating petitions and of those who qualify to sign shall be as outlined in this proposed Charter and shall be administered by the Village Clerk or other election officials as appropriate.

- (b) The mayoral candidate receiving the highest number of votes shall have a term beginning at 12:01 a.m. on the date this charter becomes effective and ending at the first regularly scheduled or special meeting of the council following the date of the city election in 2011.
- (c) The three (3) council candidates receiving the three (3) highest numbers of votes shall have terms beginning at 12:01 a.m. on the date this charter becomes effective and ending at the first regularly scheduled or special meeting of the council following the date of the city election in 2013.
- (d) The three (3) council candidates receiving the three (3) next highest numbers of votes shall have terms beginning at 12:01 a.m. on the date this charter becomes effective and ending at the first regularly scheduled or special meeting of the council following the date of the city election in 2011.

Section 16.6 SUBSEQUENT ELECTIONS

Henceforth, the elections for the city mayor and city council shall be held as set forth in Section 3.4 of this charter.

Section 16.7 ADMINISTRATIVE OFFICERS AND EMPLOYEES

- (a) Nothing in this charter except as otherwise specifically provided, shall affect or impair the rights or privileges of persons who are village officers or employees at the time of its adoption.
- (b) Except as specifically provided by this charter, if at the time this charter takes full effect a village administrative officer or employee holds an office or position which is or can be abolished by or under this charter, he or she shall continue in such office or position until the taking effect of some specific provision under this charter directing that he or she vacate the office or position.
- (c) An employee holding a village position at the time this charter takes full effect, shall not be subject to competitive tests as a condition of continuance in the same position but in all other respects shall be subject to the personnel system provided for in Section 7.2 of this charter.

Section 16.8 TRANSFER OF PROPERTY AND RECORDS

All property, records and equipment of any department, office or agency of the Village of Caro existing when this charter is adopted shall be transferred to the department, office or agency assuming its powers and duties.

Section 16.9 COUNCIL MEETINGS

The first meeting of the council shall be held on the first Monday following the effective date of the charter. The council shall meet at 7:30 p.m. at the City of Caro Offices, 317 South State Street, Caro, Michigan 48723, for the following purposes:

- (a) The adoption of ordinances and resolutions including those for appropriations necessary to affect the transition of government under this charter and to maintain effective city government during that transition and;
- (b) To conduct any other council business as may come before it.

Section 16.10 TEMPORARY ORDINANCES

In adopting ordinances as provided in Section 16.9(a), the council shall follow the procedures prescribed in Chapter VIII, except that at its first meeting or any meeting held within sixty (60) days thereafter, the council may adopt temporary ordinances to deal with cases in which there is an urgent need for prompt action in connection with the transition of government and in which the delay incident to the appropriate ordinance procedure would probably cause serious hardship or impairment of effective city government. Every temporary ordinance shall be plainly labeled as such but shall be introduced in the form and manner prescribed for ordinances generally. A temporary ordinance may be considered and may be adopted with or without amendment or rejected at the meeting at which it is introduced. After adoption of a temporary ordinance, the council shall cause it to be printed and published as prescribed for other adopted ordinances. A temporary ordinance shall become effective upon its adoption, and the referendum power shall not extend to any such ordinance. Every temporary ordinance, including any amendments made thereto after adoption, shall automatically stand repealed as of the ninety-first (91st) day following the date on which it was adopted, renewed or otherwise continued except by adoption in the manner prescribed in Chapter VIII for ordinances of the kind concerned. No ordinance shall be operative until published by the city.

Section 16.11 COUNCIL ACTION

In all cases involving the transition to the city government from that in existence prior to adoption of this charter, which are not covered by this Article, the council shall supply necessary details and procedures and may adopt such rules, regulations, and ordinances as may be required therefor.

Section 16.12 INITIAL EXPENSES

Initial expenses of the city shall be paid by the city subject to an interim financial budget adopted by resolution of City Council. There shall be an audit of this interim fiscal period in accordance with the provisions of Section 9.10 of this charter.

Section 16.13 PENDING MATTERS

All rights, claims, actions, orders, contracts and legal administrative proceedings of the Village of Caro shall continue except as modified pursuant to the provisions of this charter and in each case shall be maintained, carried on or dealt with by the city department, office or agency appropriate under this charter.

Section 16.14 VESTED RIGHTS AND LIABILITIES

After the effective date of this charter, the city and all its agencies shall be vested with all property, moneys, contracts, rights, credits, effects, and the records, files, books and papers, belonging to the Village of Caro under and by virtue of the General Law Village Act, MCL 61.1 et seq. No right or liability, contract, lease, or franchise, either in favor of or against the village, existing at the time this charter became effective, and no suit or prosecution of any character shall be affected in any manner by any change resulting from the adoption of this charter, but the same shall stand or proceed as if no change had been made. All taxes, debts, and liabilities due to the village from any person, and all fines and penalties, imposed and existing at the time of such change, shall be collected by the city. All trusts established for any municipal purpose shall be continued in accordance with the terms thereof, subject to the cy pres doctrine.

Section 16.15 VILLAGE ORDINANCES, RESOLUTIONS, ORDERS AND REGULATIONS

All village ordinances, resolutions, orders and regulations which are in force when this charter becomes fully effective are repealed to the extent that they are inconsistent or interfere with the effective operation of this charter or the ordinances or resolutions adopted pursuant thereto.

RESOLUTION OF ADOPTION

At the June 26, 2009 meeting of the Charter Commission it was resolved, that the Charter Commission of the Village of Caro does hereby adopt the foregoing proposed City of Caro Charter and the Clerk of this Commission is hereby instructed to transmit the same to the office of the Honorable Jennifer Granholm, Governor of the State of Michigan in accordance with the provisions of the statute, for her approval.

The vote on the adoption of the Resolution was as follows:

Yes _____

No _____

Richard Ransford – Chairperson, Charter Commission

Allen Jones – Vice-Chairperson, Charter Commission

Donald Duggar – Clerk, Charter Commission

Thomas Baird – Charter Commissioner

William Bortel – Charter Commissioner

Kerwood Crutchfield – Charter Commissioner

Debra Lipan – Charter Commissioner

Joseph Greene – Charter Commissioner

David Mattlin – Charter Commissioner

DELIB:3113311.2014484-00030

